GOVERNMENT OF INDIA
MICRO,SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:2933
ANSWERED ON:20.03.2017
PM Employment Generation Programme
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Will the Minister of MICRO,SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the aims and objectives of the Prime Minister's Employment Generation Programme (PMEGP) have been achieved, if so, the details thereof and if not, the reasons therefor;

(b) the details of the funds allocated, utilised, the targets fixed and achieved for employment generation projects under the PMEGP scheme in the country including Jammu & Kashmir during each of the last three years, and the current year, State/ UT-wise;

(c) whether there is reported delay in sanctioning projects/loans under the said scheme, if so, the details thereof along with the corrective steps taken by the Government in this regard;

(d) the details of sick/non-functional units under the said scheme during the said period, State/UT-wise; and

(e) the remedial measures taken by the Government for revival of the said units?

Answer

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a): Yes, Madam. Prime Minister's Employment Generation Programme (PMEGP) is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth. The Scheme was launched during 2008-09. A total of 4.02 lakh micro enterprises have been assisted with a margin money subsidy of Rs 8176.34 crore providing employment to an estimated 33.76 lakh persons since PMEGP's inception till 2016-17(28.02.2017).

(b): The details of funds allocated, utilized and the target fixed and achieved for employment generation under the Scheme during each of last three years and current year is given at Annexure-I.

(c): There is no such report regarding delay sanctioning of the loans by the banks under PMEGP scheme. Under guidelines of PMEGP, Banks are free to take their own credit decision on the basis of viability of each project. Banks appraise the projects both technically and economically for sanction of the loan under PMEGP.

(d): The PMEGP scheme guidelines provides for 100% physical verification of the projects assisted under the Scheme. Physical verification of the actual establishment and working status of each of the units, financed set up under PMEGP is carried out through the outsourced agencies during the third year after setting up of the project.

As per report of physical verification conducted for the PMEGP units financed during 2008-09 to 2012-13 it is observed that about 82% of units are found working. Details of the Physical verification report for the said period, State/UT-wise is given at Annexure - II.

(e): The PMEGP Scheme provides for setting up of new micro units only. There is no provision under the PMEGP Scheme for revival of the sick units. However, Ministry of MSME vide Notification dated 29th May,2015 has issued instructions for the framework for revival and rehabilitation of Micro, Small and Medium Enterprises. Reserve Bank of India (RBI) on 17th March, 2016 has also issued instructions to the Banks on the framework for revival and rehabilitation of MSMEs.